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County of Los Angeles DEPARTMENT OF PUBLIC SOCIAL SERVICES

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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

July 03, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

17 July 3, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

REQUEST TO APPROVE TERMINATION FOR CONVENIENCE COMMUNITY SERVICE BLOCK GRANT PROGRAM CONTRACTS WITH LOS AMIGOS RESEARCH AND EDUCATION INSTITUTE, INC., COMMUNITY REHABILITATION SERVICES, INC., PHOENIX HOUSES OF CALIFORNIA, INC., AND STOP HOMELESSNESS IN THE RIO HONDO AREA, INC. (ALL DISTRICTS - 3 VOTES)

SUBJECT

The Department of Public Social Services (DPSS) seeks approval to terminate for convenience six Community Service Block Grant (CSBG) contracts. Four contracts are being terminated at the request of the contractors. Two contracts are being terminated because the agency ceased operations.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the termination for convenience of contract numbers 4SS-08-087 with Los Amigos Research and Educations Institute, Inc. (LAREI), 1PC-08-010 and 5JS-08-107 with Community Rehabilitation Services, Inc. (CRS), 1HH-08-024 with Phoenix Houses of California, Inc., and 4HF-08-093 and 4YS-08-094 with Stop Homelessness in the Rio Hondo Area, Inc. (Rio Hondo) for CSBG Program services, as deemed in the best interest of the County, and direct the Acting Director of DPSS, or her designee, to issue notices of termination forthwith.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The economic downturn has negatively impacted local community-based non-profit organizations. As a result, such organizations are eliminating programs, reducing service sites, and/or closing their offices. CSBG funds often supplement existing services that are funded through other federal and State programs. When the underlying funding is reduced or eliminated, the contractor is unable to

offer the services with CSBG funding alone. The recommended action to terminate the six contracts is in the County's best interest because the agencies no longer can provide CSBG services for which they were funded. Specifically, LAREI provided senior services in the Fourth District; CRS provided Job Services in the First District and Fifth District, Phoenix Houses of California, Inc., provided homeless/housing services in the First District, and Rio Hondo provided housing/food services, and youth services in the Fourth District.

The recommended action will permit the CSBG funds allocated to the six contracts to be reallocated to other CSBG contractors.

Implementation of Strategic Plan Goals

The recommended action is consistent with the principles of the Countywide Strategic Plan, Goal 1: Operational Effectiveness: Maximize the effectiveness of the process, structure, and operations to support timely delivery of customer-oriented and efficient public service.

FISCAL IMPACT/FINANCING

The recommended action will have no impact on net County cost. The CSBG program is fully funded by federal appropriations through the State Department of Community Services and Development.

Funding, to the agencies listed in Enclosure I totaling \$109,761 will be reallocated to other CSBG contractors within the same supervisorial districts as the terminated contractors. The Board delegated authority to the Director of DPSS or designee to reallocate funds among CSBG contractors on October 5, 2010.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On July 1, 2008, the Department entered into an agreement with 63 community non-profit agencies to provide an array of services under the CSBG Program. Currently, a total of 118 contracts are approved to provide services in areas such as employment, education, health, housing, nutrition, senior and youth services to low-income residents who meet the federal and State eligibility requirements.

LAREI requested that its CSBG contract for senior services be terminated due to their Board of Directors' decision to close the agency's Adult Day Care Center (ADCC) effective November 30, 2011 as a result of the State of California's decision to eliminate Medi-Cal funding for ADCCs. The CSBG funds were targeted to supplement the costs associated with the services provided at the ADCC. LAREI only had one participant under the CSBG contract and this participant was referred to another Senior Center in the area.

CRS requested that its CSBG contracts be terminated due to the agency's decision to close their Fifth District service office, which provided job services, effective February 15, 2012, and their First District service office, effective March 15, 2012, as a result of the loss of two other major funding sources. The CSBG funds were targeted to supplement the costs associated with the services provided through CRS. Participants receiving services under the CSBG contracts in the First District were referred to other local offices, and those in the Fifth District were referred to WorkSource Centers.

Phoenix Houses of California, Inc., requested that its CSBG contract, which provided

homeless/housing services through a Mental Health Intervention Program for women leaving prison and jail and entering residential drug treatment, be terminated due to reductions in available public funding for treatment services. The program staff at Phoenix Houses of California, Inc. will communicate with each respective client, parole agent and program monitor to ensure a smooth transition.

Rio Hondo has two contracts to provide CSBG services in the Fourth District. Rio Hondo operated a homeless shelter and provided emergency housing and food to eligible homeless families. Rio Hondo also provided after-school education and food to children staying at the shelter. Rio Hondo ceased operations in July 2011. At that time, they did not have any CSBG clients receiving services.

CONTRACTING PROCESS

Subsection 8.54.1, Termination for Convenience, of the CSBG contracts, states that the County may terminate the contract without cause by sending the contractor a notice of termination. The termination will be effective ten days later.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

All clients impacted by the termination of the six contracts will be referred to alternate services providers.

CONCLUSION

The Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to the Acting Director of DPSS.

Respectfully submitted,



SHERYL L. SPILLER

Acting Director

SLS:jv

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Deputy Chief Executive Officer
Community Action Board

ENCLOSURE

**TERMINATION FOR CONVENIENCE
OF THE FOLLOWING
COMMUNITY SERVICE BLOCK GRANT (CSBG) PROGRAM CONTRACTS**

| AGENCY | CONTRACT NO. | SUPERVISORIAL DISTRICT SERVED | AMOUNT FOR FY 2012-13 |
|--|---------------------|--|----------------------------------|
| LAREI | 4SS-08-087 | FOURTH | \$8,000 |
| CRS | 1PC-08-010 | FIRST | \$49,923 |
| CRS | 5JS-08-107 | FIFTH | \$10,212 |
| Phoenix Houses of California, Inc. | 1HH-08-024 | FIRST | \$17,228 |
| Stop Homelessness in the Rio Hondo Area, Inc. | 4HF-08-093 | FOURTH | \$14,127 |
| Stop Homelessness in the Rio Hondo Area, Inc. | 4YS-08-094 | FOURTH | \$10,271 |
| TOTAL | | | \$109,761 |